

Power of Attorney: Frequently Asked Questions

CONTENTS

- 1...What is a power of attorney?
- 1...What can I authorize my representative to do?
- 1...When is a power of attorney required?
- 2...How do I file a power of attorney?
- 2...If we filed a joint return, but are now divorced, can we use our own representatives on the joint return issues?
- 2...Must a power of attorney be notarized?
- 2...For combined reports, is a power of attorney required for each subsidiary?
- 2...Must I use FTB’s form to file a power of attorney?
- 3...How long will a power of attorney be valid?
- 3...In what situations might FTB contact the taxpayer directly?
- 3...How do I revoke a power of attorney?
- 3...Does FTB have a centralized authorization file?

WHAT IS A POWER OF ATTORNEY?

A power of attorney is a legal document that allows someone else to act on your behalf in the tax matters that you specify in the document.

WHAT CAN I AUTHORIZE MY REPRESENTATIVE TO DO?

You may authorize an individual to represent you in tax matters involving FTB. Acts that you can authorize your representative to perform include:

- 1) Representing you in matters involving FTB.
  - 2) Receiving, **but not endorsing and cashing**, checks in payment of any refund of taxes, penalties or interest.
  - 3) Signing waivers that extend the statutory period for assessment or determination of taxes.
  - 4) Executing closing agreements under California Revenue & Taxation Code Section 19441.
  - 5) Delegating authority or substituting another representative.
  - 6) Executing settlement agreements under California Revenue & Taxation Code Section 19442.
  - 7) Receiving confidential tax information.
- Signing your return.** The representative named under a power of attorney is not permitted to sign your personal income tax return unless:
- 1) The signature is permitted under the Internal Revenue Code and related regulations (see Treasury Regulations Section 1.6012-1(a)(5)), and
  - 2) You verify that your representative is authorized to sign your return, by checking the box, “Other acts” under Section 3 “ACTS AUTHORIZED” on form FTB 3520 *and* indicate in the space provided, “authority to sign tax return.”

**Tax years.** You may authorize your representative to handle matters on your behalf, only for the year(s) or period(s) that you specify on form FTB 3520.

Tax years or periods that ended prior to the current tax years are acceptable. However, you may only specify future periods or tax years that end **no later than 3 years from the current tax year.**

EXAMPLE

Joe Taxpayer submits a power of attorney to FTB and designates Robert Smith as his representative. Joe appoints Robert to represent him for the current tax year (1998) and also for the future years (1999 through 2004). When the power of attorney form is filed with FTB, it will be valid for the following years: 1998, 1999, 2000, and 2001. In this example, year 2001 (three years after the current year) is the latest year that the power of attorney will be valid.

WHEN IS A POWER OF ATTORNEY REQUIRED?

Submit a power of attorney form if you want to authorize an individual to receive your confidential tax information and/or to represent you in matters involving FTB.

The power of attorney **must be on file** before a representative can:

- ♦ Request copies of client records including tax returns, account records or any other confidential information, or
- ♦ Request information that FTB originally obtained from the Internal Revenue Service.

**A power of attorney is *NOT* required when a person is merely furnishing information at the request of FTB.**

**Limitation on substitution or delegation.** Your appointed representative may substitute another representative or delegate authority to a new representative **only if** you authorized your appointed representative to do so under the power of attorney.

HOW DO I FILE A POWER OF ATTORNEY?

If the power of attorney is filed for an audit or collection matter currently pending before us, file the power of attorney with the FTB employee who is assisting you with your tax matter. Otherwise, mail the power of attorney to us at:

POWER OF ATTORNEY  
FRANCHISE TAX BOARD  
PO BOX 2828  
RANCHO CORDOVA CA 95741-2828

All power of attorney forms should be submitted **separately** from your tax returns or other FTB correspondence. If power of attorney documents are attached to returns, they may not reach the appropriate unit for processing into the database.

**Facsimile copies.** We accept powers of attorney submitted via FAX.

FAX: (916) 845-0523

**Updating a power of attorney.** Notify us if any information on the current power of attorney changes. You can do this by writing a letter to us or by filing a new form.

IF WE FILED A JOINT RETURN, BUT ARE NOW DIVORCED, CAN WE USE OUR OWN REPRESENTATIVES ON THE JOINT RETURN ISSUES?

Yes, your power of attorney form must indicate that your designated representative **only represents you** for issues on the joint return.

**Acceptable forms**

**Powers of attorney - other acceptable forms.** We also accept Internal Revenue Service and Board of Equalization forms.

*Note: Each form must be modified to clearly state that the taxpayer wishes to be represented for FTB matters.*

**Facsimile copies.** We accept powers of attorney that are submitted by FAX.

MUST A POWER OF ATTORNEY BE NOTARIZED?

Powers of attorney submitted to us do not need to be notarized.

FOR COMBINED REPORTS, IS A POWER OF ATTORNEY REQUIRED FOR EACH SUBSIDIARY?

Form FTB 3520 authorizes the designated key or parent corporation to act on behalf of the other members for tax matters.

The form must be executed by each member in the combined reporting group return. If a single individual or officer is authorized to sign on behalf of more than one member of the group, the single authorized individual needs to sign form FTB 3520 only once. If more than one authorized individual is designated on page 3 of form FTB 3520, then each authorized individual must sign page 2 of the form. If there are not enough spaces available for each authorized individual to sign, then submit more than one form FTB 3520.

MUST I USE FTB’S FORM TO FILE A POWER OF ATTORNEY?

We encourage you to use FTB’s current version of form FTB 3520. However, if you use a power of attorney document other than form FTB 3520, it must contain the following information:

- ♦ Your name and mailing address,
- ♦ Your social security number and/or business entity identification number,
- ♦ The name and mailing address of your representative,
- ♦ The types of FTB matters involved,
- ♦ The specific year(s) or period(s) involved,
- ♦ For estate tax matters, the decedent’s date of death,
- ♦ A clear statement as to the authority granted to your representative; and
- ♦ Your signature and the date.

You must also state clearly on the form that you wish to be represented for FTB matters.

How long will a power of attorney be valid?

A power of attorney will remain in effect until all issues regarding the specified tax years are resolved. If you give us a new power of attorney, it will revoke any prior powers of attorney on file for the same tax year unless you specify otherwise.

**Power of attorney termination.** A power of attorney will generally terminate if you become incapacitated or incompetent. However, the power of attorney can continue during your incapacity or incompetency if you so authorize on form FTB 3520.

In what situations might FTB contact the taxpayer directly?

When a properly executed power of attorney has been filed, we will make every reasonable attempt to communicate with the representative designated by the taxpayer. If the representative is uncooperative, or repeatedly fails to meet commitments, we will contact the taxpayer directly.

How do I revoke a power of attorney?

You can revoke a power of attorney at any time by filing a revocation statement (i.e. **revocation copy**) of form FTB 3520.

A revocation copy is a copy of the original form FTB 3520 that you revise as follows:

- 1) Write the word "REVOKE" at the top center of page 1, and
- 2) Sign and date it at the bottom of page 2.

**Revoking a power of attorney other than form FTB 3520.** If you want to revoke a power of attorney form other than FTB 3520, write a letter requesting the revocation and attach a copy of the power of attorney that you want to revoke. You must sign and date the letter, and mail it to us at the address on page 2.

A new power of attorney form automatically revokes all earlier forms on file with FTB unless you check the box under section 4 of the form FTB 3520. You must attach a copy of each prior power of attorney declaration you want to remain in effect.

Does FTB have a centralized authorization file?

We have a centralized computer database called the POA File that contains information on the authority of taxpayer representatives. Entry of your power of attorney information into the POA File enables us to verify the authority of your representative.

You can have your FTB power of attorney entered into the POA File by mailing or faxing it to us, or you can submit your completed documents directly to an authorized FTB employee.

**Incomplete documents.** If you submit the power of attorney document without a signature or other required information, we will return it to you or your representative.

The power of attorney is not considered complete for entry into the database until all required information is entered on the document.

**Need FTB forms?**

CALL: 1-800-338-0505 (within US)  
1-916-845-6600 (outside US)

WRITE: TAX FORMS REQUEST UNIT  
PO BOX 307  
RANCHO CORDOVA CA 95741-0307

WEB: [www.ftb.ca.gov](http://www.ftb.ca.gov)

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